

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON AT SEATTLE

JACOB’S LANDING ASSOCIATION, a
Washington Non-Profit Corporation,

Plaintiff,

v.

FIREMAN’S FUND INSURANCE COMPANY,
a California Corporation; NATIONAL SURETY
CORPORATION, an Illinois Corporation; THE
AMERICAN INSURANCE COMPANY, an Ohio
Corporation; AMERICAN AUTOMOBILE
INSURANCE COMPANY, a Missouri
Corporation; and DOE INSURANCE
COMPANIES 1-10,

Defendants.

NO.

COMPLAINT FOR DECLARATORY RELIEF
AND MONETARY DAMAGES

JURY DEMAND

Plaintiff the Jacob’s Landing Association (the “Association”) alleges as follows:

I. INTRODUCTION

1.1 This is an action for declaratory judgment and monetary damages, seeking:

(A) A declaration of the rights, duties, and liabilities of the parties with respect to certain controverted issues under insurance policies issued to the Association, respectively, by Fireman’s Fund Insurance Company, National Surety Corporation, The American Insurance Company, and American Automobile Insurance Company (collectively “Allianz”). The Association is seeking a ruling that the Allianz policies provide coverage for the damage at the

Jacob's Landing Condominium and that the above listed insurers are liable for money damages for the cost of investigating and repairing the damage at the Jacob's Landing Condominium.

(B) Attorneys' fees (including expert witness fees) and costs.

(C) Any other relief the Court deems just and equitable.

II. PARTIES AND INSURANCE CONTRACTS

2.1 The Association. The Association is a nonprofit corporation organized under the laws of the state of Washington with its principal place of business located in Blaine, Washington. The Association is organized under the laws of the State of Washington. The Association has the duty to maintain the common elements and any limited common elements of the Jacob's Landing Condominium for the common enjoyment of the unit owners. The Jacob's Landing Condominium consists of eleven (11) buildings with one hundred forty-eight (148) residential units located Blaine, Whatcom County, Washington.

2.2 FFIC. Fireman's Fund Insurance Company ("FFIC") is a California domiciled insurer with its principle place of business in Chicago, Illinois. On information and belief FFIC sold property insurance policies to the Association. The Association is seeking coverage under all FFIC policies issued to the Association or covering the Jacob's Landing Condominium at any time.

2.3 NSC. National Surety Corporation ("NSC") is an Illinois domiciled insurer with its principle place of business in Chicago, Illinois. On information and belief NSC sold property insurance policies to the Association. The Association is seeking coverage under all NSC policies issued to the Association or covering the Jacob's Landing Condominium at any time.

2.4 American. The American Insurance Company ("American") is an Ohio domiciled insurer with its principle place of business in Chicago Illinois. On information and belief American sold property insurance policies to the Association. The Association is seeking coverage under all American policies issued to the Association or covering the Jacob's Landing Condominium at any time.

2.5 AAIC. American Automobile Insurance Company ("AAIC") is a Missouri domiciled insurer with its principle place of business in Chicago Illinois. On information and belief AAIC

1 sold property insurance policies to the Association. The Association is seeking coverage under all
2 AAIC policies issued to the Association or covering the Jacob's Landing Condominium at any
3 time.

4 2.6 Allianz. Allianz shall refer collectively to FFIC, NSC, American, and AAIC.

5 2.7 Doe Insurance Companies 1-10. Doe Insurance Companies 1-10 are currently unidentified
6 entities who, on information and belief, sold insurance policies to the Association that identify the
7 Jacob's Landing Condominium as covered property.

8 2.8 Jacob's Landing Insurers. Allianz and Doe Insurance Companies 1-10 shall be collectively
9 referred to as the "Jacob's Landing Insurers."

10 2.9 Jacob's Landing Policies. The policies issued to the Association by the Jacob's Landing
11 Insurers shall be collectively referred to as the "Jacob's Landing Policies."

12 **III. JURISDICTION AND VENUE**

13 3.1 This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. § 1332
14 (diversity jurisdiction) as the parties are completely diverse in citizenship and the amount in
15 controversy exceeds \$75,000.

16 3.2 Venue is proper in this district pursuant to 28 U.S.C. § 1391(b)(2) as the Jacob's Landing
17 Insurers marketed and sold insurance to the Association in Whatcom County; a substantial part of
18 the events giving rise to the claim, including the breach of contract, occurred in Whatcom County;
19 and the insured condominium building is located in Whatcom County.

20 **IV. FACTS**

21 4.1 Incorporation by Reference. The Association re-alleges the allegations of paragraphs 1.1
22 through 3.2, above, as if fully set forth herein.

23 4.2 Tender to Jacob's Landing Insurers. In May 2023, the Association tendered claims for
24 insurance coverage to the Jacob's Landing Insurers for hidden damage recently discovered by J2
25 Building Consultants ("J2"). The Association offered to enter into tolling agreements with the
26 Jacob's Landing Insurers. To date, none of the Jacob's Landing Insurers have executed tolling
agreements or investigated the Association's claim. The Association understands from J2 that the

1 cost to repair the covered hidden water damage at the Jacob's Landing Condominium is
2 substantially over the jurisdictional limit of \$75,000.

3 **V. FIRST CLAIM AGAINST THE JACOB'S LANDING INSURERS FOR**
4 **DECLARATORY RELIEF THAT THE JACOB'S LANDING POLICIES PROVIDE**
5 **COVERAGE**

6 5.1 Incorporation by Reference. The Association re-alleges and incorporates by reference the
7 allegations of paragraphs 1.1 through 4.2, above, as if fully set forth herein.

8 5.2 Declaratory Relief. The Association seeks declaratory relief from the Court in the form of
9 determinations regarding the following disputed issues that:

10 (A) The Jacob's Landing Policies cover the damage to weather-resistive barrier, exterior
11 sheathing, and framing at the Jacob's Landing Condominium.

12 (B) No exclusions, conditions, or limitations bar coverage under the Jacob's Landing
13 Policies.

14 (C) The loss or damage to the Jacob's Landing Condominium was incremental and
15 progressive. New damage commenced during each year of the Jacob's Landing Policies.

16 (D) As a result, the Jacob's Landing Policies cover the cost of investigating and
17 repairing the weather-resistive barrier, exterior sheathing, and framing at the Jacob's Landing
18 Condominium.

19 **VI. PRAYER FOR RELIEF**

20 WHEREFORE, the Association prays for judgment as follows:

21 6.1 Declaratory Judgment Regarding Coverage. A declaratory judgment that the Jacob's
22 Landing Policies provide coverage as described herein and that the Jacob's Landing Insurers are
23 obligated to pay money damages to repair the hidden damage at the Jacob's Landing
24 Condominium.

25 6.2 Money Damages. For money damages in an amount to be proven at trial.

26 6.3 Attorneys' Fees and Costs of Suit. For reasonable attorneys' fees (including expert fees)
and costs. *See Olympic Steamship Co. v. Centennial Ins. Co.*, 117 Wn.2d 37, 811 P.2d 673 (1991),
and RCW 48.30.015.

6.4 Other Relief. For such other and further relief as the Court deems just and equitable.

VII. DEMAND FOR JURY TRIAL

7.1 Pursuant to Rule 38 of the Federal Rules of Civil Procedure, the Association demands trial by jury in this action of all issues so triable.

DATED this 14th day of June, 2023.

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/s/ Justin D. Sudweeks

/s/ Daniel J. Stein

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